GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE AND FARMERS WELFARE
DEPARTMENT OF AGRICULTURE, COOPERATION AND FARMERS WELFARE

RAJYA SABHA
UNSTARRED QUESTION NO. 1322
TO BE ANSWERED ON 30/07/2021

PROFIT OF PRIVATE COMPANIES UNDER PMFBY

1322. SHRI MALLIKARJUN KHARGE:

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

(a) the total premium collected and the total claim amount paid by private companies under the Pradhan Mantri Fasal Bima Yojana (PMFBY) in the last two years;

(b) the profit made by each private company under the scheme in the last two years;

(c) the total claims and the total premium paid to the private companies in the last two years, State-wise; and

(d) the reason of the total claims under the scheme having been consistently much lower than the premiums collected?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE
(SHRI NARENDRA SINGH TOMAR)

(a) to (d): State-wise/private general insurance company-wise, total premium collected and total claims paid/payable by these empanelled private general insurance companies under Pradhan Mantri Fasal Bima Yojana (PMFBY)/Restructured Weather Based Crop Insurance Scheme (RWBCIS) during last two years i.e. 2018-19 and 2019-20 is at **Annexure-I**.

As regards profit and loss of insurance companies, it is informed that all the private general insurance companies empanelled for implementation of PMFBY are doing different types of general insurance businesses/policies. Thus overall profit/loss of these companies is due to profit/loss in overall underwriting business of the company. As per provisions of the PMFBY/RWBCIS, premium from farmers alongwith Central and State Government share in premium subsidy is paid to the concerned insurance company for acceptance of risk and payment of claims as per provisions of scheme. Insurers save premium in good seasons/years and pay high claims, if any in bad years from the savings made in the good years. However, crop insurance is a major risk mitigation tool for the benefit of farmers. Insurance is all about spreading the risk over the period and over the area.

In this regard, it is also informed that the difference between premium collected and claims paid may not be the margin/profit for the insurance companies. The cost of reinsurance and administrative cost also has to be borne by the Insurance Companies. Further, out of the total crop insurance business under the scheme about 50% is shared by the 5 Public Sector insurance companies including Agriculture Insurance Company of India Ltd.

Inspite of overall good monsoon during first four years of implementation of PMFBY, the claim ratio during 2016-17, 2017-18, 2018-19 and 2019-20 was about 77.6% , 89.7%, 100.5% and 88% respectively. Overall claim ratio of four years combined is 88.03% But the farmers in most affected areas/States received higher claims than total premium paid and the claim ratio was high in these States as shown in the **Annexure-II**.

Annexure-I

State-Wise, Year-Wise, Company-Wise Premium Collected and Claims Paid by Private Insurance Companies in 2018-19 and 2019-20 under Pradhan Mantri Fasal Bima Yojana as on 22.07.2021

State/UT Name	Year	Company	Gross Premium	Reported Claims	Paid Claims
			Rs. in Crore		
Andhra Pradesh	2018-19	Bajaj Allianz	281.62	596.92	596.92
Andhra Pradesh	2018-19	HDFC Ergo	138.64	181.23	181.23
Andhra Pradesh	2018-19	SBI General	76.71	204.67	204.67
Andhra Pradesh	**2018-19 Total**		**496.96**	**982.82**	**982.82**
Andhra Pradesh	2019-20	IFFCO Tokio	484.96	41.43	41.43
Andhra Pradesh	2019-20	SBI General	716.88	498.52	497.45
Andhra Pradesh	**2019-20 Total**		**1,201.84**	**539.96**	**538.88**
Andhra Pradesh Total			**1,698.80**	**1,522.78**	**1,521.70**
Assam	2018-19	Bajaj Allianz	8.81	2.52	2.52
Assam	2018-19	HDFC Ergo	0.24	0.02	0.02
Assam	**2018-19 Total**		**9.04**	**2.54**	**2.54**
Assam	2019-20	HDFC Ergo	37.04	17.27	-
Assam	**2019-20 Total**		**37.04**	**17.27**	**-**
Assam Total			**46.08**	**19.81**	**2.54**
Chhattisgarh	2018-19	Bajaj Allianz	231.52	235.33	235.33
Chhattisgarh	2018-19	HDFC Ergo	148.15	217.04	217.04
Chhattisgarh	**2018-19 Total**		**379.67**	**452.37**	**452.37**
Chhattisgarh	2019-20	Bajaj Allianz	42.43	29.00	29.00
Chhattisgarh	2019-20	HDFC Ergo	150.09	106.87	106.87
Chhattisgarh	**2019-20 Total**		**192.53**	**135.87**	**135.87**
Chhattisgarh Total			**572.20**	**588.24**	**588.24**
Goa	2018-19	HDFC Ergo	0.00	0.01	0.01
Goa	2018-19	SBI General	0.03	0.09	0.09
Goa	**2018-19 Total**		**0.03**	**0.10**	**0.10**
Goa	2019-20	Future Generali	0.04	0.01	0.01
Goa	**2019-20 Total**		**0.04**	**0.01**	**0.01**
Goa Total			**0.07**	**0.11**	**0.11**
Gujarat	2018-19	Bharti AXA	366.82	281.74	281.74
Gujarat	2018-19	Bajaj Allianz	28.28	2.19	2.19
Gujarat	2018-19	Reliance General	1,208.92	1,030.78	1,030.78
Gujarat	2018-19	Universal Sompo	846.20	742.01	742.01
Gujarat	**2018-19 Total**		**2,450.21**	**2,056.73**	**2,056.73**

State/UT Name	Year	Company	Gross Premium	Reported Claims	Paid Claims
			Rs. in Crore		
Gujarat	2019-20	Bharti AXA	445.48	18.07	5.14
Gujarat	2019-20	Bajaj Allianz	27.51	0.01	0.01
Gujarat	2019-20	Reliance General	1,364.68	116.00	56.57
Gujarat	2019-20	Universal Sompo	957.19	197.35	40.17
Gujarat	**2019-20 Total**		**2,794.86**	**331.43**	**101.89**
Gujarat Total			**5,245.07**	**2,388.16**	**2,158.61**
Haryana	2018-19	SBI General	351.05	340.47	338.57
Haryana	2018-19	Universal Sompo	234.78	174.31	169.38
Haryana	**2018-19 Total**		**585.83**	**514.78**	**507.95**
Haryana	2019-20	Bajaj Allianz	276.80	136.72	136.72
Haryana	2019-20	SBI General	418.16	378.67	370.63
Haryana	**2019-20 Total**		**694.95**	**515.39**	**507.35**
Haryana Total			**1,280.78**	**1,030.17**	**1,015.30**
Himachal Pradesh	2018-19	SBI General	8.19	5.74	5.74
Himachal Pradesh	**2018-19 Total**		**8.19**	**5.74**	**5.74**
Himachal Pradesh	2019-20	SBI General	1.49	2.75	2.75
Himachal Pradesh	**2019-20 Total**		**1.49**	**2.75**	**2.75**
Himachal Pradesh Total			**9.68**	**8.50**	**8.50**
Jammu & Kashmir	2018-19	ICICI Lombard	9.89	8.31	8.31
Jammu & Kashmir	2018-19	Reliance General	51.45	7.70	7.70
Jammu & Kashmir	**2018-19 Total**		**61.34**	**16.01**	**16.01**
Jammu & Kashmir Total			**61.34**	**16.01**	**16.01**
Jharkhand	2018-19	Bharti AXA	79.23	94.04	-
Jharkhand	2018-19	Bajaj Allianz	97.94	52.12	21.11
Jharkhand	**2018-19 Total**		**177.16**	**146.17**	**21.11**
Jharkhand	2019-20	HDFC Ergo	113.69	25.46	-
Jharkhand	2019-20	Royal Sundaram	242.33	-	-
Jharkhand	**2019-20 Total**		**356.02**	**25.46**	**-**
Jharkhand Total			**533.19**	**171.63**	**21.11**
Karnataka	2018-19	Future Generali	168.33	54.07	54.07
Karnataka	2018-19	HDFC Ergo	38.66	36.77	36.77
Karnataka	2018-19	Reliance General	149.52	141.44	141.44
Karnataka	2018-19	SBI General	159.10	209.46	209.46

State/UT Name	Year	Company	Gross Premium	Reported Claims	Paid Claims
			Rs. in Crore		
Karnataka	2018-19	Universal Sompo	147.79	136.67	136.67
Karnataka	**2018-19 Total**		**663.40**	**578.41**	**578.41**
Karnataka	2019-20	Bharti AXA	332.13	36.19	20.09
Karnataka	2019-20	Bajaj Allianz	237.21	20.23	20.23
Karnataka	2019-20	Future Generali	521.47	188.46	177.38
Karnataka	2019-20	HDFC Ergo	195.72	41.56	41.28
Karnataka	2019-20	Universal Sompo	124.63	79.97	79.97
Karnataka	**2019-20 Total**		**1,411.16**	**366.41**	**338.94**
Karnataka Total			**2,074.55**	**944.82**	**917.35**
Madhya Pradesh	2018-19	Chola MS	9.37	8.31	8.31
Madhya Pradesh	2018-19	HDFC Ergo	696.76	373.41	373.41
Madhya Pradesh	2018-19	ICICI Lombard	1,911.41	2,076.56	2,076.09
Madhya Pradesh	2018-19	IFFCO Tokio	49.71	84.77	84.77
Madhya Pradesh	**2018-19 Total**		**2,667.24**	**2,543.05**	**2,542.59**
Madhya Pradesh	2019-20	Bajaj Allianz	530.65	667.92	667.92
Madhya Pradesh	2019-20	HDFC Ergo	43.65	46.52	46.52
Madhya Pradesh	2019-20	IFFCO Tokio	1,112.68	1,104.96	1,016.61
Madhya Pradesh	2019-20	Reliance General	366.67	993.16	993.16
Madhya Pradesh	**2019-20 Total**		**2,053.65**	**2,812.56**	**2,724.21**
Madhya Pradesh Total			**4,720.88**	**5,355.61**	**5,266.79**
Maharashtra	2018-19	Bharti AXA	89.93	50.98	49.45
Maharashtra	2018-19	Bajaj Allianz	552.63	872.77	872.21
Maharashtra	2018-19	Future Generali	250.42	247.22	243.01
Maharashtra	2018-19	ICICI Lombard	720.92	214.19	214.19
Maharashtra	2018-19	IFFCO Tokio	1,534.82	588.68	588.68
Maharashtra	2018-19	SBI General	235.62	225.13	225.12
Maharashtra	2018-19	Tata AIG	332.29	347.68	347.68
Maharashtra	**2018-19 Total**		**3,716.64**	**2,546.66**	**2,540.34**
Maharashtra	2019-20	Bharti AXA	56.55	0.99	0.78
Maharashtra	2019-20	Bajaj Allianz	731.14	481.81	481.81
Maharashtra	2019-20	Future Generali	78.40	0.16	0.16
Maharashtra	2019-20	HDFC Ergo	48.88	46.57	46.57
Maharashtra	2019-20	Reliance General	135.14	5.76	5.67
Maharashtra	2019-20	SBI General	21.11	19.07	19.02
Maharashtra	**2019-20 Total**		**1,071.22**	**554.35**	**554.00**
Maharashtra Total			**4,787.86**	**3,101.00**	**3,094.34**
Odisha	2018-19	Chola MS	171.20	240.59	240.59
Odisha	2018-19	Royal Sundaram	408.25	269.02	269.02

State/UT Name	Year	Company	Gross Premium	Reported Claims	Paid Claims
			Rs. in Crore		
Odisha	2018-19	Reliance General	218.87	167.81	167.81
Odisha	**2018-19 Total**		**798.32**	**677.42**	**677.42**
Odisha	2019-20	HDFC Ergo	481.54	119.99	119.99
Odisha	2019-20	Royal Sundaram	566.01	218.46	218.11
Odisha	2019-20	Reliance General	244.24	10.83	10.83
Odisha	**2019-20 Total**		**1,291.78**	**349.27**	**348.92**
Odisha Total			**2,090.10**	**1,026.69**	**1,026.34**
Rajasthan	2018-19	Bajaj Allianz	120.83	168.73	168.73
Rajasthan	2018-19	Future Generali	161.87	37.17	37.17
Rajasthan	2018-19	HDFC Ergo	716.03	543.37	543.37
Rajasthan	2018-19	IFFCO Tokio	361.84	598.50	598.50
Rajasthan	2018-19	SBI General	668.61	618.25	618.25
Rajasthan	2018-19	Tata AIG	1,088.10	854.53	854.53
Rajasthan	**2018-19 Total**		**3,117.28**	**2,820.56**	**2,820.56**
Rajasthan	2019-20	Bajaj Allianz	299.15	241.69	241.69
Rajasthan	2019-20	Future Generali	381.66	209.53	209.40
Rajasthan	2019-20	HDFC Ergo	1,392.72	901.96	901.96
Rajasthan	2019-20	SBI General	816.25	1,060.99	1,060.99
Rajasthan	**2019-20 Total**		**2,889.78**	**2,414.17**	**2,414.04**
Rajasthan Total			**6,007.06**	**5,234.73**	**5,234.59**
Sikkim	2018-19	SBI General	0.03	0.00	0.00
Sikkim	**2018-19 Total**		**0.03**	**0.00**	**0.00**
Sikkim	2019-20	IFFCO Tokio	0.00	-	-
Sikkim	**2019-20 Total**		**0.00**	**-**	**-**
Sikkim Total			**0.03**	**0.00**	**0.00**
Tamil Nadu	2018-19	Chola MS	189.38	360.82	360.82
Tamil Nadu	**2018-19 Total**		**189.38**	**360.82**	**360.82**
Tamil Nadu Total			**189.38**	**360.82**	**360.82**
Telangana	2018-19	Bajaj Allianz	19.20	36.76	36.76
Telangana	2018-19	Tata AIG	38.27	10.08	10.08
Telangana	**2018-19 Total**		**57.46**	**46.84**	**46.84**
Telangana	2019-20	IFFCO Tokio	353.91	272.31	-
Telangana	**2019-20 Total**		**353.91**	**272.31**	**-**
Telangana Total			**411.37**	**319.15**	**46.84**
Tripura	2019-20	HDFC Ergo	0.81	0.71	0.71
Tripura	**2019-20 Total**		**0.81**	**0.71**	**0.71**

State/UT Name	Year	Company	Gross Premium	Reported Claims	Paid Claims
			Rs. in Crore		
Tripura Total			**0.81**	**0.71**	**0.71**
Uttar Pradesh	2018-19	Bajaj Allianz	291.99	18.21	18.21
Uttar Pradesh	2018-19	Reliance General	227.51	26.46	26.46
Uttar Pradesh	2018-19	SBI General	182.46	23.87	23.87
Uttar Pradesh	2018-19	Tata AIG	200.68	143.87	143.87
Uttar Pradesh	2018-19	Universal Sompo	302.30	93.25	93.25
Uttar Pradesh	**2018-19 Total**		**1,204.93**	**305.66**	**305.66**
Uttar Pradesh	2019-20	Bajaj Allianz	109.75	26.53	26.53
Uttar Pradesh	2019-20	HDFC Ergo	46.51	45.69	45.69
Uttar Pradesh	2019-20	IFFCO Tokio	117.89	22.97	22.97
Uttar Pradesh	2019-20	Universal Sompo	412.26	194.41	194.41
Uttar Pradesh	**2019-20 Total**		**686.42**	**289.59**	**289.59**
Uttar Pradesh Total			**1,891.35**	**595.26**	**595.26**
Uttarakhand	2018-19	Bajaj Allianz	1.50	0.08	0.08
Uttarakhand	2018-19	ICICI Lombard	2.09	3.33	3.33
Uttarakhand	**2018-19 Total**		**3.59**	**3.41**	**3.41**
Uttarakhand Total			**3.59**	**3.41**	**3.41**
West Bengal	2018-19	Chola MS	112.38	10.81	10.27
West Bengal	2018-19	HDFC Ergo	79.83	42.99	42.99
West Bengal	2018-19	SBI General	0.38	0.33	0.33
West Bengal	2018-19	Universal Sompo	88.75	6.71	5.78
West Bengal	**2018-19 Total**		**281.33**	**60.84**	**59.38**
West Bengal Total			**281.33**	**60.84**	**59.38**
Grand Total			**31,905.51**	**22,748.42**	**21,937.95**

Annexure-II

Details of most affected areas/States/seasons where higher reported claims than total premium paid, and the claim ratio was high under PMFBY

Season	State/UTs	Gross Premium (Rs. in crore)	Reported Claims (Rs. in crore)	Total paid claims Rs. in crore)	Reported Claim ratio against Gross Premium
Kharif 2016	**Kerala**	8.57	17.92	17.92	209.2%
	Tripura	0.05	0.08	0.08	165.0%
	Karnataka	849.72	1,227.71	1,227.71	144.5%
	Tamil Nadu	9.75	10.60	10.60	108.6%
Rabi 2016-17	**Sikkim**	0.01	0.11	0.11	1059.2%
	A&N Islands	0.02	0.15	0.15	896.7%
	Tamil Nadu	1,091.65	3,637.55	3,637.55	333.2%
	Puducherry	2.88	7.55	7.55	262.2%
	Andhra Pradesh	133.03	295.69	295.69	222.3%
	Tripura	0.34	0.62	0.62	182.9%
	Karnataka	494.84	866.12	866.12	175.0%
	Kerala	24.58	25.81	25.81	105.0%
Kharif 2017	**Chhattisgarh**	289.49	1,312.19	1,312.19	453.3%
	Haryana	297.92	805.48	805.48	270.4%
	Odisha	801.41	1,777.30	1,775.72	221.8%
	Madhya Pradesh	3,269.73	5,576.51	5,576.51	170.5%
	Tripura	0.16	0.27	0.27	170.2%
	Tamil Nadu	47.21	78.61	78.61	166.5%
	Telangana	617.21	621.94	621.94	100.8%
Rabi 2017-18	**Sikkim**	0.01	0.04	0.04	304.7%
	Odisha	19.01	42.84	42.84	225.3%
	Tamil Nadu	1,138.67	1,980.18	1,978.66	173.9%
	Andhra Pradesh	146.59	215.38	211.71	146.9%
	Tripura	0.58	0.73	0.73	125.2%
	Chhattisgarh	72.39	79.21	79.12	109.4%
Kharif 2018	**Goa**	0.03	0.10	0.10	304.5%
	Puducherry	0.16	0.45	0.45	276.9%
	Himachal Pradesh	3.41	8.29	8.29	243.1%
	Meghalaya	0.10	0.22	0.22	218.2%
	Tamil Nadu	58.48	112.10	112.10	191.7%
	Jharkhand	386.10	671.32	21.11	173.9%
	Andhra Pradesh	797.41	1,280.68	1,275.74	160.6%
	Haryana	584.21	803.10	803.04	137.5%
	Karnataka	1,439.50	1,931.50	1,872.63	134.2%
	Chhattisgarh	810.95	1,025.92	1,025.92	126.5%
	Kerala	12.81	15.36	15.36	119.9%
	Uttarakhand	41.49	47.68	47.68	114.9%
	Rajasthan	2,411.19	2,646.01	2,682.95	109.7%

Season	State/UTs	Gross Premium (Rs. in crore)	Reported Claims (Rs. in crore)	Total paid claims Rs. in crore)	Reported Claim ratio against Gross Premium
	Telangana	493.75	510.24	111.68	103.3%
	Odisha	1,113.05	1,139.49	1,139.49	102.4%
Rabi 2018-19	**Odisha**	8.45	30.48	30.48	360.5%
	Karnataka	416.08	1,053.51	1,052.96	253.2%
	Andhra Pradesh	296.61	609.32	609.32	205.4%
	Tamil Nadu	1,410.95	2,544.22	2,544.21	180.3%
	A&N Islands	0.05	0.09	-	179.8%
	Telangana	51.80	77.07	37.22	148.8%
	Maharashtra	1,485.33	1,989.07	1,982.77	133.9%
	Jharkhand	11.29	13.61	-	120.6%
	Madhya Pradesh	1,539.21	1,598.95	1,598.49	103.9%
Kharif 2019	**Madhya Pradesh**	2,625.41	5,727.40	5,633.64	218.2%
	Meghalaya	0.09	0.18	0.18	198.7%
	Kerala	39.08	53.02	53.02	135.7%
	Maharashtra	4,789.39	5,806.17	5,806.13	121.2%
	Himachal Pradesh	7.26	8.64	8.58	119.1%
	Uttar Pradesh	713.16	830.81	807.19	116.5%
Rabi 2019-20	**Odisha**	10.84	100.80	95.25	929.8%
	Chhattisgarh	77.81	634.14	621.37	815.0%
	Puducherry	4.18	7.16	-	171.3%

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